

November 19, 2003

Ms. Marlene H. Dortch, Secretary
Federal Communication Commission
445 12th Street, S.W. – The Portals
Washington, D.C. 20554

Re: Notice of Ex Parte Presentation
Digital Must Carry, CS Docket No. 98-120

Dear Ms. Dortch:

On November 17, 2003, Kevin Leddy, Senior Vice President, Strategy and Development, Time Warner Cable (“TWC”), and Steven Teplitz, Vice President and Associate General Counsel, Time Warner Inc., met with the following members of the Media Bureau: Ben Bartolome, Steve Broeckaert, Rick Chessen, Ben Golant, Eloise Gore, William Johnson, Michael Lance, Priscilla Lee, Sarah Mahmood, Mary Beth Murphy, Ronald Parver, and John Wong to provide an update on the progress TWC has made in entering retransmission consent agreements with digital broadcasters, and to discuss other issues related to the digital transition.

Since TWC’s June 30, 2003 response to the FCC’s request for information on the company’s implementation of the “Powell Plan,” TWC has made continued and steady progress in completing new deals with digital broadcast stations. As our report to the FCC reflects, as of June 30th, our systems had commenced carriage, pursuant to negotiated agreements, of over 120 digital broadcast stations. During the four and a half months following that report, we have successfully negotiated new digital retransmission consent agreements with over 25 additional broadcast stations. These agreements have been entered into with affiliates of all “big six” networks – ABC, CBS, NBC, FOX, UPN and WB, as well as PBS.

It is important to note that each agreement we enter into is an independently negotiated transaction (and often complex and multifaceted), and there is no common formula defining our finalized agreements. We are pleased, however, that these commercial negotiations have led to an ever increasing level of carriage of high definition programming and anticipate that our progress in working out mutually beneficial arrangements with digital broadcast stations will continue.

As discussed in our meeting, TWC believes that high definition (“HD”) programming will drive the digital transition and is making every effort to encourage its subscribers to take advantage of digital services, especially HD programming. Toward that end, TWC is making available at no additional cost an HD set-top box for any digital subscriber that purchases an HD monitor, and any customer with an HD set-top box receives HD broadcast signals at no additional charge.

In addition, we also discussed issues related to channel mapping and the multicasting of PBS signal. With respect to channel mapping, we noted that "two-part" numbering is not available today, and during the transition it is our intention to group all HD channels together in as user-friendly manner as possible (e.g., group all HD channels beginning at channel number 300 or 400).

Finally, you asked us to describe how we are carrying the digital signal of a PBS affiliate. One example is in our Cincinnati division, where we are currently carrying the multiplexed programming contained within the local Cincinnati PBS station's digital signal. The station, WCET, transmits 5 program transport streams within its digital signal (up to 4 at any given time), and describes each of those transport streams as follows: CET-HD¹, CET-TV (a simulcast of WCET's analog signal in standard definition format), CET-Kids, CET-You and CET-Plus). Generally, during the morning and early afternoon hours, WCET transmits the 4 standard definition format program transport streams – CET-TV, CET-Kids, CET-You and CET-Plus – and during the evening hours, WCET transmits CET-HD plus two of the standard definition format streams. The WCET program transport streams are each assigned their own channel number, and are carried on consecutive ascending channels in the 900 channel neighborhood. During any given part of the day, each channel may appear as a blank screen to customers. For example, when the station is transmitting "HD-light" programming, two of the four other channels are blank.

Pursuant to Section 1.1206(b) of the Commission's rules, two copies of this Notice are being provided to you for inclusion in the public record in the above-captioned proceeding. Should you have any questions, please do not hesitate to contact me.

Respectfully submitted,

/s/

Steven N. Teplitz
Vice President and Associate General Counsel
Time Warner Inc.

¹ Although WCET designates the programming in this stream as "HD," it is in an "HD-light" format that is lower in resolution than 720p or 1080i.